Scott M. Matheson, Governor Temple A. Reynolds, Executive Director Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

November 22, 1982

Mr. Harold Kobayashi 98-1617 Piki Street Aiea, Hawaii 96701

RE: Surety
Harley Dome Minerals Mine
ACT/019/012
Grand County, Utah

Dear Mr. Kobayashi:

Thank you for returning the executed copy of the MRP addendum. There seems to have been a misunderstanding in regards to the Division's surety requirements. The surety that the Division holds is for reclamation of disturbed land, and as such must be sufficient to cover final reclamation for the total amount of land disturbed at any one time. Based on the MRP submitted by Westwater, it was determined that approximatly 15 acres would be disturbed at any one time. The amount of the surety required is based on that acreage.

The Division therefore, cannot accept your proposal for 15-18¢ per ton of ore to go into an escrow account since the amount required to reclaim 15 acres (\$46,200) would not be reached for a considerable time and the amount in the account would not be commensurate with the amount of surface disturbance.

If you have further questions, please contact me or Susan Linner.

Sincerely,

JAMÈS W. SMITH, JR. COORDINATOR OF MINED LAND DEVELOPMENT

JWS/mn

cc: LaRell Baker